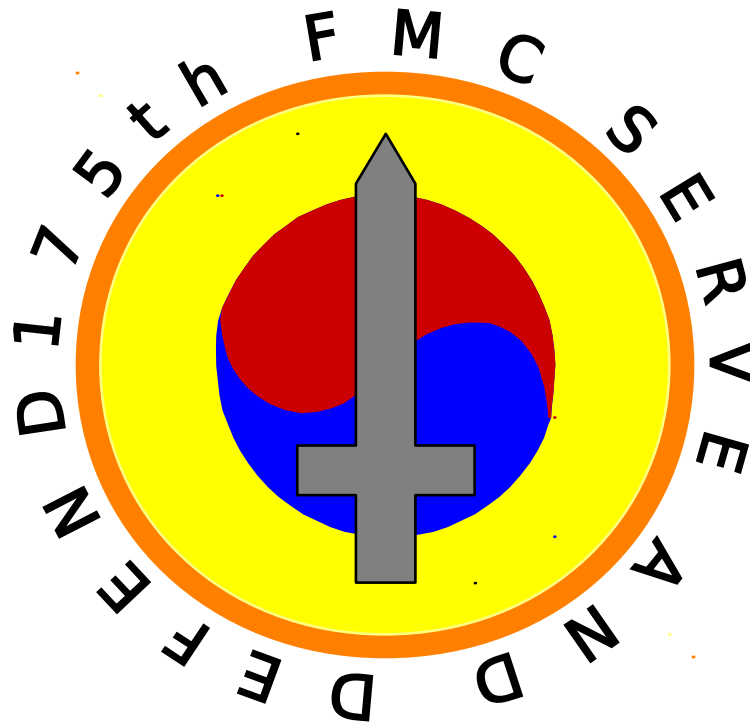




Cost of Living Allowance (COLA)

175TH FMC





COLA - Defined

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What is COLA?

The Cost-of Living Allowance, or COLA is an allowance paid to service members stationed in high-cost areas overseas (including Alaska and Hawaii). COLA helps maintain purchasing power so you can purchase ABOUT the same goods and services overseas as in the



COLA - Amount

175TH FMC

What determines the amount of COLA we receive?

COLA is determined by comparing the cost of items that the “typical” soldier spends on a range of items in the “average” location in the United States to what the cost of those same items purchased in Korea are.



COLA - Amount (continued)

175TH FMC

Surveys are conducted to verify the amount of COLA we receive:

Living Pattern Survey - conducted annually to verify spending habits.

Retail Price Survey - conducted annually to verify the prices of goods and services.



COLA - Amount (continued)

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Exchange rates are also reviewed at least twice per month. The COLA rates may fluctuate due to changes in the exchange rate.



COLA - Amount (continued)

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PERSONAL FACTORS AFFECTING AMOUNT

Grade

Number of CMD-Sponsored Dependents

Years Service for Pay

****BAS Status****



COLA - Amount (continued)

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“9” rate compared to “0” rate

**“9” rate COLA is compute at 47%
of “0” rate COLA.**

**53% of “0” rate COLA is used to
purchase and prepare meals at your
residence.**



HDP-L - Defined

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What COLA is NOT

COLA is not paid with the intention of offsetting the costs of every item or inconvenience that a soldier may encounter due to living in the overseas location.



COLA - THE END!

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Questions?